

SHB 2984 - H AMD 848
By Representative Springer

ADOPTED 2/14/2006

1 On page 2, beginning on line 10, strike all material through
2 "housing" on page 4, line 10, and insert the following:

3 "(1)(a) Any city or county planning under RCW 36.70A.040 may
4 enact or expand affordable housing incentive programs providing for
5 the development of low-income housing units through development
6 regulations. An affordable housing incentive program may include,
7 but is not limited to:

- 8 (i) Density bonuses within the urban growth area;
- 9 (ii) Height bonuses;
- 10 (iii) Fee waivers or exemptions;
- 11 (iv) Parking reductions; or
- 12 (v) Expedited permitting, conditioned on provision of
13 low-income housing units.

14 (b) The city or county may enact or expand such programs
15 whether or not the programs may impose a tax, fee, or charge on the
16 development or construction of property.

17 (c) A city, county, or town may not condition, deny, or delay
18 the issuance of a permit or development approval based on the
19 provisions in this chapter due to the absence of participation in
20 a program adopted under this section.

21 (2) Affordable housing incentive programs enacted or expanded
22 under this section or section 3 of this act shall comply with the
23 following:

24 (a) The incentives or bonuses shall provide for the
25 construction of low-income housing units;

26 (b) Jurisdictions shall establish standards for low-income
27 renter or owner occupancy housing, including income guidelines
28 consistent with local housing needs, to assist low-income
29 households that cannot afford market-rate housing. Low-income

1 households are defined for renter and owner occupancy program
2 purposes as follows:

3 (i) Rental housing units to be developed shall be affordable to
4 and occupied by households with an income of fifty percent or less
5 of the county median family income, adjusted for family size; and

6 (ii) Owner occupancy housing units shall be affordable to and
7 occupied by households with an income of eighty percent or less of
8 the county median family income, adjusted for family size. The
9 legislative authority of a jurisdiction, after holding a public
10 hearing, may establish lower income levels. The legislative
11 authority of a jurisdiction, after holding a public hearing, may
12 also establish higher income levels for rental housing or for owner
13 occupancy housing upon finding that higher income levels are needed
14 to address local housing market conditions. The higher income
15 level for rental housing may not exceed eighty percent of the
16 county area median family income. The higher income level for
17 owner occupancy housing may not exceed one hundred percent of the
18 county area median family income. These established higher income
19 levels must be considered "low-income" for the purposes of this
20 section;

21 (c) The jurisdiction shall establish a maximum rent level or
22 sales price for each low-income housing unit developed under the
23 terms of a program and may adjust these levels or prices based on
24 the average size of the household expected to occupy the unit. For
25 renter-occupied housing units, the total housing costs, including
26 basic utilities as determined by the jurisdiction, may not exceed
27 thirty percent of the income limit for the low-income housing unit;

28 (d) Low-income housing units shall be provided in a range of
29 sizes comparable to those units that are available to other
30 residents. To the extent practicable, the number of bedrooms in
31 low-income units must be in the same proportion as the number of
32 bedrooms in units within the entire building. The low-income units
33 shall generally be distributed throughout the building, except that
34 units may be provided in an adjacent building. The low-income
35 units shall have substantially the same equipment and amenities,
36 excluding luxury amenities such as fireplaces and spa bathtubs, as
37 the other units in the building or buildings;

38 (e) Low-income housing units developed under an affordable
39 housing incentive program shall be committed to continuing

1 affordability for at least fifty years. A local government,
2 however, may accept payments in lieu of continuing affordability.
3 The program shall include measures to enforce continuing
4 affordability and income standards applicable to low-income units
5 constructed under this section that may include, but are not
6 limited to, covenants, options, or other agreements to be executed
7 and recorded by owners and developers;

8 (f) Programs authorized under subsection (1) of this section
9 may apply to part or all of a jurisdiction and different standards
10 may be applied to different areas within a jurisdiction. Programs
11 authorized under this section may be modified to meet local needs
12 and may include provisions not expressly provided in this section
13 or section 3 of this act; and

14 (g) Required low-income housing units are encouraged to be
15 provided within market-rate housing developments for which a bonus
16 or incentive is provided. However, programs may allow units to be
17 provided in an adjacent building and may allow payments of money or
18 property in lieu of low-income housing units if the payment equals
19 the approximate cost of developing the same number and quality of
20 housing units that would otherwise be developed. Any city or
21 county may use these funds or property to support the development
22 of low-income housing, including support provided through loans or
23 grants to public or private owners or developers of housing.

24 (3) Affordable housing incentive programs enacted or expanded
25 under this section may be applied within the jurisdiction to
26 address the need for increased residential development, consistent
27 with local growth management and housing policies, as follows:

28 (a) The jurisdiction shall identify certain land use
29 designations within a geographic area where increased residential
30 development will assist in achieving local growth management and
31 housing policies;

32 (b) The jurisdiction shall provide increased residential
33 development capacity through zoning changes, bonus densities,
34 height increases, parking reductions, or other regulatory changes
35 or other incentives;

36 (c) The jurisdiction shall determine that increased residential
37 development capacity or other incentives can be achieved within the
38 identified area, subject to consideration of other regulatory
39 controls on development; and

1 (d) The jurisdiction may establish a minimum amount of
2 affordable housing that must be provided by all residential
3 developments being built under the revised regulations, consistent
4 with the requirements of this section"

EFFECT: Deletes affordable housing incentive program (incentive program) provisions of the substitute bill and inserts modified provisions with the following changes: (1) deletes a provision authorizing incentive programs to include conditions on permits for commercial, mixed-use, or multifamily developments; (2) inserts a provision specifying that a city, county, or town may not condition, deny, or delay the issuance of a permit or development approval based on the provisions in the Growth Management Act due to the absence of participation in an adopted incentive program; (3) specifies that mandatory incentive program measures to enforce continuing affordability and income standards apply only to low-income units constructed according to incentive program provisions; and (4) states that enacted or expanded incentive programs may be applied within a jurisdiction to address the need for increased residential development, subject to specified requirements. Includes technical changes.